

AMENDED IN ASSEMBLY JULY 1, 2003

AMENDED IN SENATE APRIL 22, 2003

SENATE BILL

No. 971

Introduced by Senator Burton

February 21, 2003

An act to add Sections 89500.3, 89500.5, and 89500.7 to the Education Code, relating to the California State University.

LEGISLATIVE COUNSEL'S DIGEST

SB 971, as amended, Burton. California State University: outside employment: courses in employee ethics.

Existing law establishes the California State University and its various campuses under the administration of the Trustees of the California State University. Existing law authorizes the trustees to hire employees to carry on the functions of the university.

This bill would prohibit an employee of the California State University who is a designated employee, as defined, from being a consultant or an employee of a for-profit business entity that provides services to the university in circumstances where the employee would serve the entity in the area of the employee's responsibilities with the university.

The bill would require each executive employee, managerial employee as defined, supervisory employee as defined, and full-time faculty unit employee of the university to report to the trustees any other employment he or she holds during the period of his or her employment by the university. The bill would require an employee to whom this bill is applicable to make the report required by the bill on April 1, 2004, and thereafter, *annually, or* upon his or her appointment to an outside

position, as defined. *The bill would prescribe conditions for the development, by the trustees, of a form to be used for making this report by employees represented in their employment relations by an exclusive representative selected pursuant to the Higher Education Employer-Employee Relations Act.*

The bill would require the trustees to offer, on at least a semiannual basis, to each of the university's filers, as defined, an orientation course on the relevant employee ethics statutes and regulations that govern official conduct. The bill would require a filer to attend the course periodically. *The bill would require the university, before conducting each orientation course required by this section, to consult with staff of the Fair Political Practices Commission and the Attorney General regarding appropriate course content.*

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 89500.3 is added to the Education Code,
2 to read:

3 89500.3. No employee of the California State University who
4 is a designated employee under Article 3 (commencing with
5 Section 87300) of Chapter 7 of Title 9 of the Government Code
6 may be a consultant or an employee of a for-profit business entity
7 that provides services to the university in circumstances where the
8 employee would serve the entity in the area of the employee's
9 responsibilities with the university. A violation of this section shall
10 result in appropriate discipline or, in the case of an at-will
11 employee of the university, may result in the dismissal of that
12 employee.

13 SEC. 2. Section 89500.5 is added to the Education Code, to
14 read:

15 89500.5. (a) Each executive employee, managerial
16 employee, as defined in Section 3562 of the Government Code,
17 supervisory employee, as defined in Section 3580.3 of the
18 Government Code, and full-time faculty unit employee of the
19 university shall report to the trustees any other employment he or
20 she holds during the period of his or her employment by the
21 university. An employee to whom this section is applicable shall
22 make the report required by this section on April 1, 2004.



1 Thereafter, the report shall be made by the employee *annually, or*
2 upon his or her appointment to an outside position.

3 (b) As used in this section, “appointment to an outside
4 position” includes the process of hiring, any subsequent
5 adjustments in time to perform the outside work, and the
6 discontinuation of the outside employment.

7 (c) *For employees represented in their employment relations by*
8 *an exclusive representative selected pursuant to the Higher*
9 *Education Employer-Employee Relations Act (Chapter 12*
10 *(commencing with Section 3560) of Division 4 of Title 1 of the*
11 *Government Code), the form of the report required by this section*
12 *shall be a subject of bargaining under that act. The trustees shall*
13 *prescribe the form of the report until the trustees and the exclusive*
14 *representative reach agreement on a form.*

15 (d) *This section shall have no effect on whether an employee is*
16 *required to file a statement of economic interests under Article 3*
17 *(commencing with Section 87300) of Chapter 7 of Title 9 of the*
18 *Government Code.*

19 (e) *The form used by the trustees, and developed by the trustees*
20 *and the exclusive representative, shall comply with all of the*
21 *following:*

22 (1) *It shall consist of no more than one page.*

23 (2) *It shall not require reporting more often than annually or at*
24 *the time of appointment to an outside position.*

25 (3) *It shall not require full-time faculty members to file a*
26 *statement of economic interests except as prescribed in the*
27 *Political Reform Act of 1974 (Title 9 (commencing with Section*
28 *81000) of the Government Code).*

29 SEC. 3. Section 89500.7 is added to the Education Code, to
30 read:

31 89500.7. (a) (1) The trustees shall offer, on at least a
32 semiannual basis, to each of the university’s filers an orientation
33 course on the relevant employee ethics statutes and regulations
34 that govern official conduct.

35 (2) As used in this section, ~~“filer”~~ “filer” means a designated
36 employee of the university who is required to file a Statement of
37 Economic Interests in accordance with Article 3 (commencing
38 with Section 87300) of Chapter 7 of Title 9 of the Government
39 Code.

(b) The trustees shall maintain records that indicate attendance at courses offered pursuant to this section. These records shall identify the attendees by name, job title, and date of their attendance, and shall be maintained for a period of at least five years after each course is offered. These records shall be public records subject to inspection and copying in accordance with the Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

(c) Each filer shall attend the orientation course established pursuant to subdivision (a) in accordance with both of the following:

(1) A filer who holds a designated position on January 1, 2004, shall attend not later than December 31, 2004, and thereafter, at least once during each consecutive period of two calendar years commencing on January 1, 2006.

(2) A person who becomes a filer after January 1, 2004, shall attend within six months after he or she becomes a filer and at least once during each consecutive period of two calendar years thereafter.

(d) The failure or refusal of a filer to attend an orientation course required by this section shall constitute a failure or refusal to perform the normal and reasonable duties of the position within the meaning of Section 89535, and shall subject the filer to discipline, including dismissal.

(e) Before conducting each orientation course required by this section, the university shall consult with staff of the Fair Political Practices Commission and the Attorney General regarding appropriate course content.